

In addition to remuneration paid during the period when members of the Board of Directors perform their duties, the Company compensates members of the Board of Directors for the following expenses:

- expenses associated with traveling to the meeting place of the Board of Directors and from the meeting place to their destination as well as accommodation while located at the meeting place;
- expenses associated with participating in a meeting of the Board of Directors via telephone or a teleconference system, sending a written opinion, or conducting absentee voting;
- expenses associated with members of the Board of Directors performing their functions in the periods between meetings;
- expenses associated with hiring consultants and experts and obtaining relevant opinions on issues concerning the activities of the Board of Directors.

The maximum amount of compensation for expenses per year for each member of the Board of Directors is EUR 50,000 (hereinafter the Compensation Limit).

Expenses are reimbursed on a quarterly basis no later than 30 days after the end of the quarter. The total amount of compensation per year for each member of the Board of Directors may not exceed the Compensation Limit.

If the expenses of a member of the Board of Directors for the year exceed the Compensation Limit, the issue of compensating the amount of expenses exceeding the Compensation Limit is submitted to the General Meeting of Shareholders for consideration.

Decision to pay remuneration

On June 21, 2018, the General Meeting of Shareholders adopted the following resolutions:

- to pay remuneration to members of the Board of Directors for participation in the work of the Board of Directors for the period from January 1, 2017 to June 21, 2018 in the amount and manner prescribed by the Regulation on the Company's Board of Directors, which was approved by the resolution of the Annual General Meeting of Shareholders dated June 4, 2015 (unnumbered minutes dated June 5, 2015);
- not to pay remuneration to the members of the Board of Directors based on the Company's work results for the year (unnumbered minutes dated June 21, 2018);
- to reimburse members of the Board of Directors for expenses directly related to the performance of their functions for the period from January 1, 2017 to June 21, 2018 in the amount of documented expenses that were actually incurred and did not exceed RUB 1,000,000 (one million) for each member of the Company's Board of Directors in the manner prescribed by the Regulation on the Company's Board of Directors, which was approved by the resolution of the Annual General Meeting of Shareholders dated June 4, 2015 (unnumbered minutes dated June 5, 2015).

Remuneration paid to members of the Board of Directors in 2018

Measurement unit: RUB mln

Indicator	2018
Remuneration for participation in the work of a management body	59.1

Reimbursement paid to members of the Board of Directors in 2018

Measurement unit: RUB mln

Name of management body	2018
Board of Directors	1.8

Remuneration for the CEO

In accordance with Article 6 of the Regulation "On the Sole Executive Body of PJSC "Magnit," which was approved by the resolution of the Annual General Meeting of Shareholders dated June 24, 2010 (minutes dated June 28, 2010 and in earlier versions), salary and other payments made to the CEO are established by the employment contract concluded with the CEO.

Remuneration for members of the Management Board

In 2018, the policy of remuneration and reimbursement for members of the collegial executive body was governed by the following documents:

- Regulation on the Collective Executive Body (Management Board) of PJSC "Magnit" approved by the Annual General Meeting of Shareholders of PJSC "Magnit" on June 24, 2010 (unnumbered minutes dated June 28, 2010);
- Regulation on the Collective Executive Body (Management Board) of PJSC "Magnit" approved by the Annual General Meeting of Shareholders of PJSC "Magnit" on June 21, 2018 (unnumbered minutes dated June 21, 2018).

In accordance with the Regulation on the Collective Executive Body (Management Board) of PJSC "Magnit" (approved by the Annual General Meeting of Shareholders of PJSC "Magnit" on June 24, 2010; unnumbered minutes dated June 28, 2010), remuneration for a member of the Management Board consists of remuneration in accordance with the employment contract or an additional agreement thereto.

Remuneration for members of the Management Board may be paid annually from the Company's net profit according to the annual financial statements. The conditions and procedure for the payment of remuneration to members of the Management Board are determined by the Board of Directors.

Salary for participation in the work of the Management Board amounts to RUB 50,000 per month in accordance with the employment contract.

The Company's remuneration and reimbursement policy does not envisage compensation for expenses by members of the Company's Management Board associated with the performance of their functions as members of the Company's Management Board.

Changes to the remuneration policy for members of the Management Board

In accordance with the Regulation on the Collective Executive Body (Management Board) of PJSC "Magnit" (approved by the Annual General Meeting of Shareholders of PJSC "Magnit" on June 21, 2018; unnumbered minutes dated June 21, 2018), remuneration for a member of the Management Board consists of remuneration in accordance with the employment contract or an additional agreement thereto.

Remuneration for members of the Management Board may be paid annually from the Company's net profit according to the annual financial statements. The conditions and procedure for the payment of remuneration to members of the Management Board are determined by the Board of Directors.

Salary for participation in the work of the Management Board amounts to RUB 30,000 per month in accordance with the employment contract.

The Company's management bodies did not adopt decisions to compensate members of the Management Board for expenses associated with the performance of their functions as members of the Management Board or the payment of remuneration to members of the Management Board based on the results of the Company's work.

Remuneration paid to members of the collective executive body¹ in 2018: Salary – RUB 86,104,428.15 . No compensation was paid to members of the collective executive body in 2018.

No compensation was paid to members of the collective executive body in 2018.

1. This amount does not include remuneration for the CEO, who is the Chairman of the Management Board.